



SF Phosphates Limited Company

A Utah Limited Liability Company
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RECEIVED

JUL 13 2001

DIVISION OF
OIL, GAS AND MINING

m/047/007

June 11, 2001

D. Wayne Hedberg
Permit Supervisor
Minerals Regulatory Program
Utah Division of Oil, Gas, and Mining
1594 West North Temple, Suite 1210
Salt Lake City, Utah 84114-5801

Wm Submittal

RE: UDOGM 'Revision Review Comments' dated May 10, 2001.

Dear Mr. Hedberg:

These comments are numbered corresponding to the paragraphs in the May 10, division response.

1. We acknowledge the misunderstanding and have no problem with using the Stevenson quote.
2. The revised cost estimate for reclamation of the tailings impoundment should include the following amendments and clarifications: 1) The \$15/acre figure for aerial seeding includes an appropriate \$3/acre adjustment for the previously underestimated seed rate. 2) One of the discing events should be removed or combined. 3) The task list is acceptable pending the results of seed test plots, which are being developed.
3. The Reclamation progress map has been refined as requested and the revised copy is attached.
4. The Division's costs are acceptable. No further discussion necessary.
5. See comment 2, above.
6. No further discussion necessary.
7. No further discussion necessary.
8. No further discussion necessary.
9. The printed number of 100 cy/ mound was a typo. The calculations were based on 1000 cy/mound. The cost for the full 10 mounds, as calculated using the CAT manual for production rates and a D-8 and operator obtained from a local contractor (copy attached) is \$4680. This figure uses the CAT rating of 600 yd³

per hour, a .75 factor for average operator ability, a 1.2 factor for loose material, a .67 efficiency factor and a 1.0 factor for 0% grade. The total hours were rounded up to 30 and multiplied by the rate of \$140/hour (estimate attached). Because only 317 acres, about half of the 609 acres used for this calculation, is considered, only half of the costs, or \$2340 are associated. We request the Division review this cost estimate.

10. No further discussion necessary.
11. The Division's estimate and task description is adequate to provide complete reclamation of the Landfill as detailed in the Class IIb Landfill Application.
12. No further discussion necessary.
13. No further discussion necessary.
14. An estimate has been obtained and is attached for complete demolition of buildings and concrete from a separate contractor. A list of structures as provided to the contractor is attached.
15. The means estimate has been abandoned in lieu of a direct estimate of building demolition costs from a contractor (see 14). The estimate is for \$407,500 and a copy is attached.
16. See 15
17. Because the cost of carrying the escalation is significant, SF Phosphates wishes the Division consider a 3 year escalation period.

I hope that these comments help resolve the remaining issues of the bond recalculation expeditiously. If you have any questions, please call Mike Slater at 435-781-3388.

Sincerely,

A handwritten signature in black ink that reads "Ron Ryan". The signature is fluid and cursive, with the first name "Ron" and last name "Ryan" clearly distinguishable.

Ron Ryan
Environmental Specialist